

TRANSFEREES' EXHIBIT 18

Request for Waiver

The Tribune Employee Stock Ownership Plan as implemented through the Tribune Employee Stock Ownership Trust, EGI-TRB, L.L.C. and Sam Zell (collectively, "Transferees"), proposed transferees of Tribune Broadcast Holdings, Inc. ("TBH"), licensee of WTTV(TV), Indianapolis, Indiana ("WTTV"), and WTTK(TV), Kokomo, Indiana ("WTTK"), hereby certify that the instant transaction complies with the Commission's multiple ownership rules. As demonstrated below, the proposed transaction does not violate the Commission's duopoly rule, 47 C.F.R. § 73.3555(b). Furthermore, WTTK continues to qualify for operation as a satellite station of WTTV under the Commission's policy in *Television Satellite Stations Review of Policy and Rules*, 6 FCC Rcd. 4212 (1991).

Duopoly showing: Because TBH is wholly owned by Tribune Broadcasting Company, which is also the parent of Tribune Television Company, licensee of WXIN(TV), Indianapolis, Indiana, TBH must demonstrate compliance with the Commission's duopoly rule. Under that rule, an entity may own two television stations licensed in the same designated market area ("DMA") if (i) at least one of the stations is not ranked among the top four stations in the market, as measured by the most recent Nielsen all-day audience share, and (ii) at least eight independently owned and operated full power television stations would remain in the DMA after the transaction. *See* 47 C.F.R. § 73.3555(b).

As demonstrated in the attached Nielsen information for the most recent sweeps period, WTTV is the sixth-ranked television station in the Indianapolis market. *See* Attachment 1. In fact, over the previous four sweeps periods, WTTV has been the fifth- or sixth-

ranked station in the Indianapolis market, according to all-day audience shares. *Id.* Thus, at least one of the stations in the proposed transaction is not among the top four stations in the market, and the first prong of the duopoly showing is satisfied. *See* 47 C.F.R. § 73.3555(b)(2)(i).

Second, as the attached chart illustrates, there are presently 11 independently owned stations in the Indianapolis DMA. *See* Attachment 2. Eleven independent voices will remain following the instant transfer of control. Thus, the second prong of the duopoly showing is satisfied, and the proposed transaction complies with the Commission's duopoly rule. *See* 47 C.F.R. § 73.3555(b)(2)(ii).

Satellite showing: Under the Commission's policy regarding satellite television stations, the proposed transferee of a satellite station must justify the station's continuing operation as a satellite. *See Television Satellite Stations Review of Policy and Rules*, 6 FCC Rcd. 4212 (1991) ("*Satellite Policy*"). The transferee is entitled to a presumption that operation of the television station as a satellite is in the public interest by showing that (i) there is no city grade overlap between the parent and the satellite; (ii) the proposed satellite would provide service to an underserved area; and (iii) no alternative operator is ready and able to purchase and operate the satellite as a full-service station. *See Satellite Policy*, 6 FCC Rcd. at 4213-14. Applications that qualify for the presumption and are unopposed will be viewed favorably by the Commission. *Id.* at 4214. If the proposed satellite television station does not qualify for the presumption, however, the Commission will evaluate the proposal on an ad hoc basis and grant the proposed application if there are other public interest benefits or compelling circumstances that warrant approval. *Id.*

WTTK presumptively qualifies for continued operation as a satellite television station because it meets the Commission's three criteria outlined above. First, as the attached statement of Mark R. Fratrik, Ph.D., Vice President of BIA Financial Network (the "Fratrik Report") demonstrates, there is no city grade contour overlap between WTTV and WTTK. *See* Fratrik Report at 14. Second, continued operation of WTTK as a satellite station would serve an otherwise underserved area. In its *Satellite Policy*, the Commission stated that an applicant can demonstrate that an area is underserved if there are two or fewer full-service stations already licensed to it. *Satellite Policy*, 6 FCC Rcd. at 4215. As stated in the Fratrik Report, WTTK is the only full powered television station licensed to Kokomo, Indiana. *See* Fratrik Report at 9, n.6.

Finally, no alternative operator is willing or able to operate WTTK as a stand-alone station. WTTK has been on the air since 1988, and has been operated continuously thereafter as a satellite of WTTV. On four separate occasions, the Commission has approved the transfer of WTTK as a satellite of WTTV. *Id.* at 3, n.1. Moreover, as indicated in the Fratrik Report, WTTK simply is not viable as a stand-alone station, and therefore, would not be marketable on its own.

As BIA notes, WTTK faces numerous obstacles toward successful operation as a stand-alone station. First, because all major network affiliates are represented in the Indianapolis market, WTTK would have difficulty securing a network affiliation, and instead would be required to obtain its programming independently. *Id.* at 6. Obtaining programming independently, without the benefit of an association with a network, would be extremely costly for WTTK and less likely to generate substantial advertising revenue than other stations in the

market. *Id.* at 10. In addition, the anticipated growth of television advertising revenues through 2010 is not sufficient to support an additional full-service television station in the market. *Id.* at 7-8.

With limited revenue possibilities from a lack of network affiliation and limited advertising revenues, it would be difficult for WTTK to incur the costs associated with independent operation. Over the next couple of years, WTTK will have to incur the additional capital costs of the transition to digital television, estimated to be between \$1.5 and \$2 million dollars. In addition, if WTTK were to convert from a satellite to a full service station, WTTK would have to incur significant additional capital investment for facilities and staff. *Id.* at 11-12. Operating alone, WTTK will not have the revenue streams sufficient to account for these additional expenditures attendant to independent operation.

Second, WTTK's signal coverage has a negative impact on its ability to function as a stand-alone station in the market. WTTK's location in Kokomo, Indiana makes it unable to reach the entire Indianapolis market. In fact, WTTK reaches approximately 1,214,207 people, or approximately 45.33% of the local television market, within its Grade B contour. *Id.* at 9. This is in stark contrast to the other commercial stations in the market, all of which reach in excess of 66% of the population in the Indianapolis market. Thus, WTTK would face significant disadvantage in competing with these other stations. In addition, the low percentage of population coverage in the market makes WTTK's ability to obtain cable carriage as a stand alone station uncertain, and thus has a further negative impact on its revenues. In combination with WTTV, however, the two stations provide excellent coverage throughout the Indianapolis market, reaching over 90% of the population. *Id.* at 10.

Furthermore, the continued operation of WTTK as a satellite is vital for the competitive viability of WTTV as well. The top three affiliated stations each reach approximately 90% of the population in the Indianapolis market. *Id.* at 6. WTTV, on the other hand, does not reach as far north as most of its competitors in the market, and therefore reaches only 77.6% of the population. Only when allied with WTTK as a satellite is WTTV able to cover the entire market and compete effectively with the other stations in the market. *Id.* at 10-11.

Therefore, based on the foregoing, Transferees have demonstrated that WTTK is entitled to continued operation as a satellite station of WTTV. There is no city grade overlap between the two stations, WTTK provides service to an underserved area, and WTTK is not economically viable as a full-service independent station.

Indianapolis Market Rank, Mon. - Sun. 9:00 a.m. - midnight

Feb '07 Market Rank

		RTG	SHR
1	WTHR	7.2	14.3
2	WISH	6.9	13.8
3	WRTV	3.9	7.8
4	WXIN	3.5	6.9
5	WNDY	1.7	3.3
6	WTTV*	1.5	2.9
7	WHMB	0.6	1.2
8	WIPX	0.1	0.2

Nov '06 Market Rank

		RTG	SHR
1	WTHR	7.8	15.9
2	WISH	6.3	12.9
3	WRTV	4.0	8.2
4	WXIN	2.7	5.5
5	WTTV*	1.3	2.8
6	WNDY	1.3	2.7
7	WHMB	0.5	0.9
8	WIPX	0.1	0.3

July '06 Market Rank

		RTG	SHR
1	WTHR	5.3	11.8
2	WISH	3.9	8.7
3	WRTV	2.8	6.4
4	WXIN	2.2	4.9
5	WNDY	1.4	3.2
6	WTTV*	1.1	2.5
7	WHMB	0.4	0.8
8	WIPX	0.1	0.3

May '06 Market Rank

		RTG	SHR
1	WTHR	6.3	13.7
2	WISH	5.1	11.3
3	WRTV	3.8	8.4
4	WXIN	3.2	7.0
5	WNDY	1.6	3.4
6	WTTV*	1.3	2.9
7	WHMB	0.4	0.8
8	WIPX	0.1	0.3

* The ratings and share for WTTV include the ratings and share for WTTK.

DMA: Indianapolis, Indiana
Full-Power Television Stations
Page 1 of 2

Channel #	Call Sign Network Affiliation	Name/Address of Current Licensee	Comments
23	WNDY-TV (MY)	Indiana Broadcasting, LLC 4 Richmond Square Suite 2000 Providence, RI 02906	Parent company is a Group Owner, LIN Television Corporation
8	WISH-TV (CBS)	Indiana Broadcasting, LLC 4 Richmond Square Suite 2000 Providence, RI 02906	Parent company is a Group Owner, LIN Television Corporation
13	WTHR (NBC)	VideoIndiana, Inc. 1000 N. Meridian Street Indianapolis, IN 46204	Parent company is a Group Owner, The Dispatch Printing Company
6	WRTV (ABC)	McGraw Hill Broadcasting Company, Inc. 1221 Avenue of the Americas New York, NY 10020	Licensee is a Group Owner
4	WTTV (CW)	Tribune Broadcast Holdings, Inc. 6910 Network Place Indianapolis, IN 46278	
29	WTTK (CW)	Tribune Broadcast Holdings, Inc. 6910 Network Place Indianapolis, IN 46278	
59	WXIN (Fox)	Tribune Television Company 6910 Network Place Indianapolis, IN 46278	
63	WIPX (ION)	Paxson Indianapolis License, Inc. 601 Clearwater Park Road West Palm Beach, FL 33401	Parent company is a Group Owner, ION Media Networks, Inc.
40	WHMB-TV (Independent)	Le Sea Broadcasting Corporation Box 12 South Bend, IN 46624	Licensee is a Group Owner
42	WCLJ-TV (TBN)	Trinity Broadcasting of Indiana, Inc. PO Box 1057 Richmond, IN 47375	Parent company is a Group Owner, Trinity Christian Center of Santa Ana, Inc.
20*	WFYI (educ – PBS)	Metropolitan Indianapolis Public Broadcasting, Inc. 1401 N. Meridian Street Indianapolis, IN 46202	

DMA: Indianapolis, Indiana
Full-Power Television Stations
Page 2 of 2

Channel #	Call Sign Network Affiliation	Name/Address of Current Licensee	Comments
49	WIPB (educ – PBS)	Ball State University 2000 University Avenue Muncie, IN 47306	
69*	WDTI (EDUC)	Indianapolis Community Television, Inc. 3901 Highway 121 South Bedford, TX 76021	
30*	WTIU (educ – PBS)	The Trustees of Indiana University IMU, M005 900 East 7 th Street Bloomington, IN 47405	

**THE ECONOMIC VIABILITY OF
WTTK (TV)
IF OPERATED AS A
FULL-SERVICE TELEVISION STATION**

Mark R. Fratrik, Ph. D.

Vice President

PREPARED FOR

Tribune Company

May 1, 2007



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**THE ECONOMIC VIABILITY OF WTTK (TV)
AS A FULL-SERVICE TELEVISION STATION**

Executive Summary

Local over-the-air television stations are now facing increasingly difficult times in attracting enough audience shares to garner sufficient advertising revenues to remain viable. At the same time, hundreds of channels offered by local cable systems and satellite television services are providing increased competition in the advertising marketplace. With this in mind, the question of whether satellite station WTTK (TV) can be operated as a full-service television station is clear. Is it possible for this station to generate enough revenue in its increased competitive environment within its portion of the Indianapolis, IN market to cover the programming, engineering, and other associated operating costs of a full-service station? After analyzing and reviewing the competitive situation and the station's position in the market, we conclude that it cannot. Therefore, it cannot be a viable full-service television station.

The challenges facing WTTK (TV) as a full-service station involve: 1) the projected slow growth of revenues in the television market and the costs involved in operating a full-service television station; 2) the existence of other full-service stations in the markets; 3) that the station would have to operate as independent station unaffiliated with any of the major networks; and 4) that the station would face the challenge of disadvantaged signal coverage areas as compared to the other full-service television stations in the market. All of these factors combined make it almost certain that the station could not be profitably operated, and that no one would be willing to make the investment required to convert the station into a full-service station.

THE ECONOMIC VIABILITY OF WTTK (TV) AS A FULL-SERVICE TELEVISION STATION

Introduction

Local television stations now face competition from hundreds of channels offered by local cable systems and satellite television services, as well as video streams offered via the Internet. In addition to the challenge of attracting enough audience share to garner sufficient advertising revenues to remain viable, local over-the-air television stations are also facing an increasingly difficult time competing with other advertising-supported media. With this increased competition as a backdrop, the question of whether any existing satellite station, and in particular WTTK (TV) in the Indianapolis, IN television market, could be operated as a full-service television station is a very real question. Can this station generate enough revenue in the increased competitive environment within its portions of the Indianapolis, IN market to cover the programming, engineering, and other associated operating costs of a full-service station?

The purpose of this report is to examine that question under the criteria established by the Commission in *Television Satellite Stations*, 6 FCC Rcd 4212 (1991).¹ First, we will review the competitive situation that would face WTTK (TV) in its market if it were to become a full-service television station. We will examine the signal contour patterns of the station in order to describe the size and composition of the audiences that it could serve. We will also examine at the same time whether there is any overlap between the city-grade contours of the satellite station with its existing “parent” station. Finally, we will analyze what impact WTTK (TV) has on the coverage of its parent station, WTTV (TV), of the Indianapolis, IN market.

In that review of the competitive landscape of the Indianapolis, IN television market, we examined the affiliation and programming options for WTTK (TV). We have determined that the station could only be an affiliate of an Hispanic network or operate as an independent station within the coverage area of the station given the existing stations in this television market. Next, we will describe the signal coverage areas of the station in order to see the size of their potential audiences.

WTTK (TV) would have restricted revenue bases as either an independent or Hispanic network affiliated station serving a limited portion of the Indianapolis, IN television market. The station would face substantial costs to operate, especially in securing programming. Additionally, transforming the station into a full-service television station would require additional equipment and build-out. Finally, the station has additional costs of converting to full-power digital television station operations before February of 2009.²

After reviewing the competitive situation and the station's position in the Indianapolis, IN market, we conclude that the station cannot be a viable full-service television station without being operated as satellite station. No rational buyer would be willing to make the investments required to transform the station into a full-service station. We also conclude that WTTV (TV), the parent station, would be noticeably damaged in its ability to compete and serve their local community without their affiliation with WTTK (TV). Therefore, we believe that maintaining WTTK (TV) as a satellite is the only viable option for the communities served by the station.

¹ It is important to note that in four previous occasions, the most recent being in 2002, the Commission has approved the satellite operation of WTTK (TV).

² WTTK (TV) is presently operating its digital station under an STA at a reduced power. If WTTK (TV) is no longer a satellite station, it would be obliged to meet the Commission's replication/maximization deadlines applicable to full-service stations.

Indianapolis, IN Television Market

Station Lineup

The Indianapolis, IN television market is ranked as the 25th largest television market. There are presently nine full-service commercial television stations and one satellite commercial full-power station operating in this market. Table 1 below shows these stations with their network affiliations as well as the total population served by each of these stations.

Table 1
Indianapolis, IN Television Market Stations

Calls	Channel	Affiliation	Type of Station	Population Served	Percent of Market³
WCLJ-TV	42	TBN	Full-Service	1,777,933	66.37%
WIPX	63	Ion	Full-Service	1,781,916	66.52%
WISH-TV	8	CBS	Full-Service	2,395,960	89.45%
WNDY-TV	23	My	Full-Service	2,015,576	75.25%
WRTV	6	ABC	Full-Service	2,471,905	92.30%
WTHR	13	NBC	Full-Service	2,419,453	90.32%
WTTV	4	CW	Full-Service	2,079,106	77.60%
WHMB	40	IND	Full-Service	1,966,656	73.40%
WXIN	59	FOX	Full-Service	2,150,107	80.27%
WTTK	29	CW	Satellite	1,214,207	45.33%

As shown, all of the major English-speaking television networks already have affiliates in the market. The recent combination of the WB and UPN network into the CW network and the entry of the new My Network TV network have not changed that situation as those new networks have already secured affiliates in this market. Therefore, WTTK (TV) would have to be either an affiliate of a Hispanic network or operate as an independent station.

³ These populations are the populations within the Grade B contour for each of these stations within the local television market, and were generated by the Dataworld, a division of BIA Financial Network.

Populations Reached by Local Television Stations

As shown in Table 1, all of the full-power television stations in the Indianapolis, IN market (WCLJ-TV, WIPX (TV), WISH-TV, WNDY-TV, WRTV (TV), WTHR (TV), WTTV (TV), WXIN (TV)) cover more than 66% of the market. In addition, one full-service station (WTTV (TV)) utilizes a satellite to reach approximately an additional 15.5% of the local market television households not reached by the parent station. As will be discussed later, WTTV (TV) would be disadvantaged in competing with the local television groups who reach nearly 90% of the market if it no longer had the over-the-air reach in the northern part of the Indianapolis, IN television market. Without having WTTK (TV), WTTV (TV) would have less reach than these the major stations in this television market.

Television Advertising Revenues in Indianapolis, IN Market

The Indianapolis, IN television market is ranked 25th in terms of households and ranked 28th in terms of total television advertising revenues.⁴ In recent years, local market revenues have not kept up with the average growth across all television markets, and in fact have shown a decrease in market revenues. According to BIAfn's estimates, between 2000 and 2005, the Indianapolis, IN local television market revenues *decreased* at a -1.2% compounded annual growth rate, as compared to a decrease of -0.9% for the average television market.

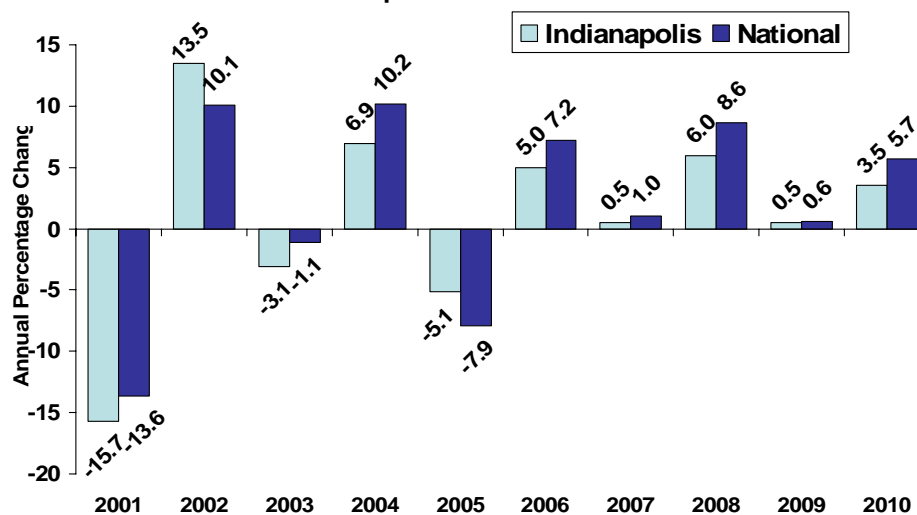
While market revenue growth is expected to increase, that growth will not be substantial enough to support additional full-service television stations. From 2005 through 2010, the market television advertising revenues are expected to grow only at a 3.1% compounded annual growth rate,

⁴ *Investing in Television, 2006, 4th edition*, BIA Financial Network.

as compared to 4.6% for the average television market. Figure 1 below shows the annual growth rates for the Indianapolis, IN market along with the average for all television markets.

The somewhat tepid growth rate for the Indianapolis, IN television market could provide a substantial challenge for any new television station that would enter the market. Any new station would have to steal advertising revenues from one of the existing television stations in order to attempt to become viable.

Figure 1
Television Advertising Growth Rates:
Indianapolis vs. National



Reach of the Satellite Station

Overlaps

Appendix 1 provides a map detailing the city-grade and Grade B contours for WTTK (TV) as well as its parent station, WTTV (TV). As can be seen there is no overlap of the satellite station city

-grade contours with the city-grade contour of WTTV (TV). There is a small overlap between the Grade B contour of WTTK (TV) and its parent station WTTV (TV).⁵

Populations Served

WTTK (TV), licensed to the city of Kokomo, IN,⁶ reaches approximately 1,214,207 people within its Grade B contours or 45.33% of the entire local television market, primarily in the northern portion of the market. This population is significantly less than the populations reached by any of the other full-service stations in this market affiliated with the other networks. Having such a smaller over-the-air reach would significantly disadvantage WTTK (TV) (and its parent WTTV (TV)) if it becomes a full-service television station. The reach of the other present full-service network-affiliated television stations would be more than two times greater than that of WTTK (TV)'s. Due to its limited Grade B coverage and the lack of established programming service, WTTK (TV) would also face great difficulty in obtaining market-wide carriage on cable television systems, further lessening its viability other than as satellite station.

WTTV (TV) (the parent station) reaches approximately 2,079,106 people within its Grade B contours or 77.6% of the entire local television market. This population is less than the populations reached by many of the other full-service network-affiliated stations in the market. Its reach in the northern portion of this market is noticeably less than the other television stations. Therefore, in order for WTTV (TV) to compete with the other full-service network-affiliated stations, it relies on WTTK (TV)'s signal for a more complete coverage of the market. Combined, WTTV (TV) and

⁵ The total population within the Grade B overlap between WTTK (TV) (satellite station) and WTTV-TV (parent station) is 795,766, corresponding to 33.3% of the entire population reached by WTTV (TV), and 63.5% of the entire population reached by WTTK (TV).

⁶ WTTK (TV) is the only full-power television station licensed to the city of Kokomo, IN.

WTTK (TV)'s Grade B signals (non-overlapping) cover approximately 2,496,072 people or 93.2% of the Indianapolis, IN market.

Included in the populations reached by WTTK (TV) are people of Hispanic descent who may be attracted to Spanish-language programming. At present, there are no full-power local affiliates airing the over-the-air Spanish networks in this market. WTTK (TV) reaches only approximately 29,699 Hispanic people within its Grade B contour.⁷ Given the small size of the Hispanic population served, there is little likelihood that the station would become a successful full-service affiliate of these Spanish language networks.

Consequently, the station would be forced to operate as a pure independent for the foreseeable future. Pure independent stations typically are relegated to inferior programming (like evergreen series) that do not attract very large audiences, and consequently, do not generate substantial advertising revenues. Typically, they are unable to generate sufficient revenues to support local news or other local public affairs programming. Furthermore, given their small over-the-air market reach, these stations would have great difficulty in generating enough revenues to become viable at all as independent stations.

Impact on WTTV (TV)

As mentioned earlier, the top three affiliated stations cover close to 90% of the market. WTTK (TV)'s parent station, WTTV (TV) only covers 77.6%. WTTK (TV) is licensed to Kokomo in Howard County, which is approximately 54 miles away from the core market center of Indianapolis, IN, and 94 miles away from the city of license (Bloomington, IN) for WTTV (TV). In

⁷ Demographic population estimates are obtained from Dataworld, a division of BIA Financial Network.

fact, WTTV (TV) Grade B signal does not even reach Kokomo and the northern portions of this television market. Therefore, in order for WTTV (TV) to compete with the other full-service stations which cover Kokomo and the remainder of the northern section of the Indianapolis, IN market, WTTV (TV) utilizes the satellite station WTTK (TV) for coverage of this area of the market. Without WTTK (TV), WTTV (TV) would be severely disadvantaged in comparison with the three main affiliated full-service stations in the market.

Additional Capital Costs for Digital Transmission and Full-Service Conversion

In addition to the very limited revenue possibilities for WTTK (TV) as a full-service stand-alone station and the resulting very limited possibilities for the station to become economically viable on an operating basis, WTTK (TV) already faces significant additional capital costs in the next few years to convert to digital transmission on its permanent DTV channel. WTTK (TV) has elected to operate its digital station under a STA at a reduced power. It is estimated that it would cost between \$1.5 and \$2.0 million to construct a digital station in order to replicate WTTK (TV)'s analog signal coverage area from its current transmitter site.⁸

These digital conversion costs are in addition to the added capital costs that the station would incur to convert from satellite station to full-service. Those costs include necessary improvements to the master control room, commercial and field production equipment, and other ancillary equipment that is necessary to operate as a full-service station, in addition to the costs of local news production, if they chose to offer that service. In an earlier study analyzing this satellite station, we estimated

⁸ Estimate from Tribune Company.

the typical conversion costs for a satellite station to become a full-service station to be over \$1.3 million.⁹

In addition to the obstacles described earlier in this report and the considerable capital expenditures detailed above, any new owner of the station trying to convert the station to a full-service station would have extreme difficulty securing investment capital for such a risky venture. Since the station reaches a limited population base and would have to enter the market as an independent station, potential lenders would be very hesitant in providing the necessary funds. This difficulty in securing investment funds to purchase the station and convert it to an independent full-service station further reduces its viability as a full-service operation. In our judgment, there would not be any alternative purchasers of the station as a full-service operation.

Conclusion

It is becoming more challenging for local television stations to serve their local communities. Local television stations are attracting smaller and smaller audiences due to the increase in video market competition. Concurrently, more competition is present in the advertising marketplace with local cable systems more aggressively selling local advertising spots airing on the larger number of national cable networks. Other new competition is coming from Internet sites, with more of these sites focused on local content.

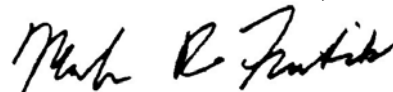
New television stations trying to become economically viable competitors confronting this increased competition find it extremely difficult. Securing an affiliation with one of the major over-the-air television networks is nearly impossible, as those networks typically already have affiliates in

⁹ “The Economic Viability of Operating WTTK-TV as a Full-Service Television Station,” Mark R. Fratrik, May 2, 2002, attachment to the application for the assignment of license, FCC File

most markets. Second, operating an independent television station involves significant additional operating costs over and above the costs of running a satellite station. Finally, operating a new full-service television station involves incurring large capital costs, especially those stations that have not fully transition their digital operations.

Due to these reasons, WTTK (TV) would not be economically viable as an independently owned station. The population reach of this station's over-the-air signal within its local television markets would be much less than any of the other full-service stations. There are no network affiliations available from any of the English-language over-the-air networks, and there is not enough of an Hispanic population to make an affiliation with one of the Hispanic networks viable. Finally, substantial capital expenditures would have to be incurred if the station was converted to a full-service station. Therefore, there appears to be no chance that any purchaser of the satellite station would be willing to convert it to a full-service station. As a result, the only over-the-air service that the area could enjoy is by television stations that are satellite facilities of other stations in this market.

BIA Financial Network, Inc.

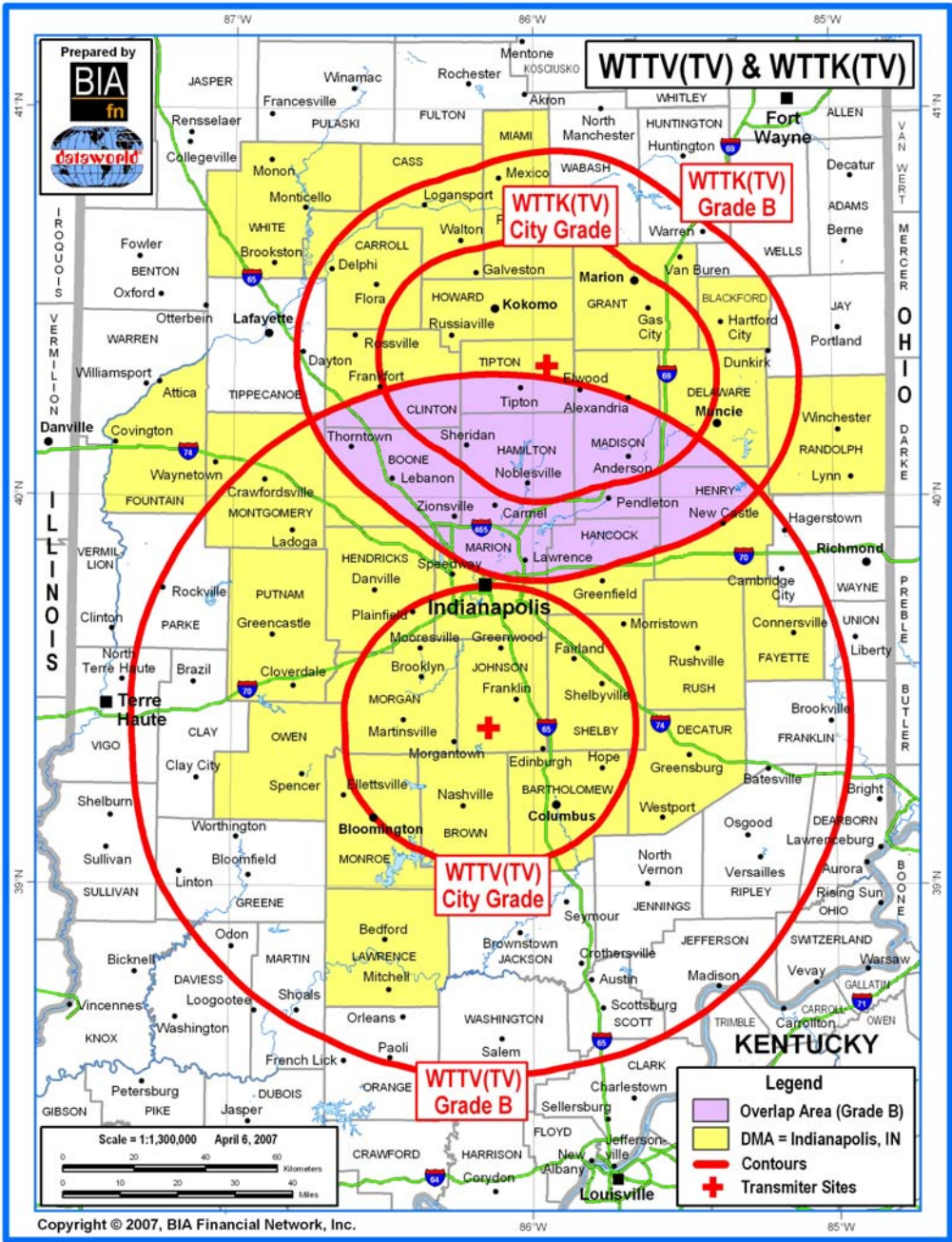


Mark R. Fratrik, Ph.D.
Vice President

May 1, 2007

No. BALCT - 20020502AAQ.

Appendix 1–City Grade and Grade B Contours of WTTV(TV) and WTTK(TV)



QUALIFICATIONS

OF

MARK R. FRATRIK, Ph.D.

Mark R. Fratrik, Ph.D. is vice president with BIA Financial Network (BIAfn), the premier financial consulting firm specializing in the appraisal and fair market valuation of broadcasting, cable, and telecommunications properties and preparation of bank presentations for communications clients.

As Vice President, Dr. Fratrik is involved in conducting industry studies on the broadcasting and related industries, as well as consulting clients in these industries about their strategic directions. He has also been involved in the estimation of values for assets owned by broadcast stations.

Prior to coming to BIAfn, Dr. Fratrik worked at the National Association of Broadcasters (NAB) for nearly 16 years as vice president/economist. While there, he conducted primary research about the broadcasting and related industries and was responsible for the annual financial and biennial salary and fringe benefits study conducted by the association. He is the author several publications concerning the radio and television industries both from financial and strategic perspectives. He has also spoken at numerous conferences on the status of the broadcasting industries, and their future business prospects.

Before joining NAB in 1985, Dr. Fratrik worked for the Federal Trade Commission in the Bureau of Economics where he spent five years conducting analyses of industry practices to evaluate overall economic impact. Also, Dr. Fratrik has worked closely with broadcasters in determining what opportunities lay in the spectrum as well as exploring regulatory matters concerning the spectrum.

Dr. Fratrik received his Ph.D. and MA in Economics from Texas A& M University, and BA in Economics (Honors) and Mathematics from State University of New York. He is the author of several articles in academic and business trade journals.